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California Gasoline Demand Rose 3.3 Percent in May, Fuel Tax Data Says Prices Spiked to \$4.35 a Gallon in May

Sacramento – California's gasoline demand rose 3.3 percent in May as prices hit \$4.35 per gallon, according to fuel tax data released by George Runner, Second District Member of the California State Board of Equalization (BOE). Diesel consumption increased 7.1 percent in May. (See chart for monthover-month monthly gasoline and diesel consumption comparisons.)

"Growing fuel demand shows that California's economic recovery has gained some steam," said Runner. "However, I'm concerned that rising gas prices caused by the recent refinery fire are hurting Californians at a time when they could really use more dollars in their pockets."

BOE's fuel tax report showed Californians consumed 1.28 billion gallons of gasoline in May, a 3.3 percent increase from the 1.24 billion during the same period last year. However, during the first five months of 2012, California gas consumption was changed little from the first five months of 2011 (a 0.1 percent increase) despite a growing population and more people commuting to work. In California, average gasoline prices were up 12 cents to \$4.35 in May, a 2.9 percent increase over last May's average price according to the U.S. Energy Information Administration (EIA).

California's diesel consumption was 228 million gallons in May, up 15 million gallons or 7.1 percent from a year ago. During the first five months of 2012, diesel consumption squeezed up 1.2 percent, matching the average increase of 2011. California's average diesel prices were down 5 cents to \$4.32 per gallon in May.

Nationally, the EIA reports regular gasoline averaged \$3.79 a gallon, down 17 cents from May of last year. The EIA diesel retail prices reported the national average price of diesel was down 7 cents, to \$3.98 from a year earlier.

The BOE Chief Economist reports in the *Economic Perspective* (August 2012) that despite the economic stresses during the decade between 2000 and 2010, including an 86 percent increase in gasoline prices, U.S. household spending jumped 27 percent. Spending on gasoline increased significantly for all households, a minimum of \$378 for the lowest-earning households, and up to a maximum of \$1,187 for the top-earning households.

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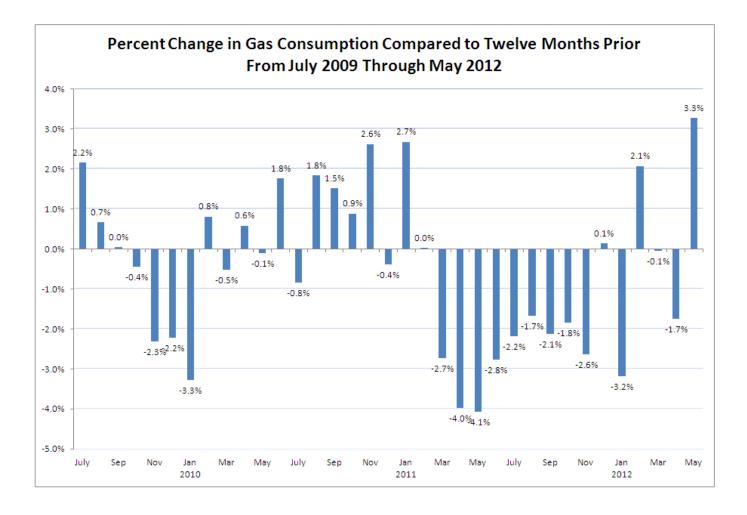


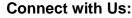
California gasoline and diesel fuel figures are net consumption that includes audit assessments, refunds, amended and late tax returns and the State Controller's Office refunds. The information is based on fuel tax receipts paid by fuel distributors in California. BOE updates the fuel reports at the end of each month.

California Fuel Statistics and Reports www.boe.ca.gov/sptaxprog/spftrpts.htm

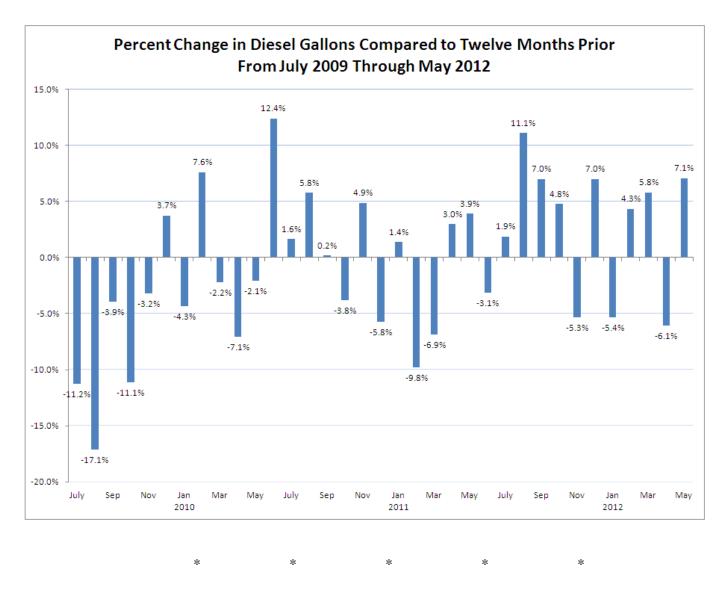
State Taxable Gasoline Gallons Report: www.boe.ca.gov/sptaxprog/reports/MVF_10_Year_Report.pdf

State Taxable Diesel Gallons Report: www.boe.ca.gov/sptaxprog/reports/Diesel_10_Year_Report.pdf





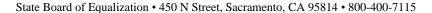




Elected in November 2010, George Runner represents the State Board of Equalization's Second District. He is a leading advocate for California taxpayers. Runner has worked to improve California's tax policies and practices and to create and retain more private sector jobs in our state. Prior to his election to the Board, Runner served twelve years in the State Legislature, authoring the well-known California Amber Alert and California's Blue Alert. As a thoughtful conservative, his legislative priorities included improving the economy, business growth, education excellence, and public safety for all Californians. As a member of the Senate Revenue and Taxation Committee, Runner consistently led the fight against tax increases and supported tax relief for families and businesses.

The five-member California State Board of Equalization (BOE) is a publicly elected tax board. The BOE collects more than \$50 billion annually in taxes and fees supporting state and local government services. It hears business tax appeals, acts as the appellate body for franchise and personal income tax appeals, and serves a significant role in the assessment and administration of property taxes. For more information on other taxes and fees in California, visit www.taxes.ca.gov.

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